

Sent via e-mail

June 24, 2022

U.S. Environmental Protection Agency, Region VII
Chemical Accident Prevention Section –
Air Branch Enforcement and Compliance Assurance Division
c/o Dave Hensley
11201 Renner Blvd,
Lenexa, KS 66219

Re: June 7-9, 2022 RMP Inspection of BCP Ingredients, Inc. – Verona, MO

Dear Mr. Hensley, Mr. Sena and Ms. Harper:

The following are BCP Ingredient's Inc.'s (BCP or the Company) responses to the Notice of Preliminary Findings EPA provided following its inspection of BCP's Verona, Missouri, facility. This response is timely submitted within the two-week timeline you suggested at the closing conference on June 9, by submission on or before June 24, 2022. Since the inspection, BCP has provided EPA with more than 650 pages of additional documents to supplement the inspection, which are incorporated into this response without waiving any claims of confidentiality. EPA's Notice of Preliminary Findings included eleven alleged compliance issues:

1. Facility did not conduct annual coordination, citing 40 CFR 68.93(a);
2. Facility did not document past coordination activities, citing 40 CFR 68.93(c);
3. Facility hazard assessment did not meet all requirements listed in 40 CFR subpart B, citing 40 CFR 68.20-68.39;
4. Facility did not document or determine appropriate response or document that deficiencies were corrected, citing 40 CFR 68.79(d);
5. Facility did not have 2017 compliance audit, citing 40 CFR 68.79(e);
6. Facility submitted RMP on February 25, 2021, after the January 25, 2021 deadline, citing 40 CFR 68.190(b)(1);
7. Facility did not identify the correct PHA technique, citing 68.175(e);
8. Facility SOPs do not address all of the required elements, citing 40 CFR 68.69(a);
9. Facility did not evaluate consequences of deviation on PSI, citing 40 CFR 68.65(c)(1)(v);
10. Facility did not certify compliance audits, citing 40 CFR 68.79(a); and
11. Facility PSI did not include safety systems, citing 40 CFR 68.65(d)(1)(viii).

This response summarizes actions BCP has taken since the time of the inspection. BCP has evaluated EPA's preliminary findings and has already undertaken a number of actions to enhance

its Risk Management Program (RMP) compliance. BCP is also in the process of retaining a third-party consultant to assist with promptly reviewing and, to the extent needed, updating its Section 112(r) procedures. BCP is working to retain a consultant now, and will be making updates to its RMP procedures on a rolling basis. To begin with, at the time of the EPA inspection, BCP had an internal RMP audit scheduled the week of June 13-17, 2022. BCP completed the internal audit process as planned.

- 1. Annual coordination and**
- 2. Documentation of coordination**

As discussed during the inspection, BCP has provided the LEPC with information about the regulated substances present at its facility over time. BCP's EHS Coordinator is the chair of the LEPC and, in that capacity, also provides information about the site to educate and promote emergency response by the LEPC. However, documentation of specific coordination activities was not located during the inspection.

Since the inspection, the company has taken several steps to improve annual coordination with the LEPC and develop templates for necessary documentation. Don Hossli, the Environmental Health and Safety Manager, is the owner of BCP's emergency response coordination. BCP is providing information regarding the regulated substances present at the facility, their quantities, risks of the covered processes to the LEPC and other local emergency responders and will document their responses.

BCP has also contacted the LEPC and the local fire department to invite both to take an initial tour of the facility and has updated its Emergency Action Plan (EAP) and emergency contacts to the site environmental health and safety personnel. The updated plans will be provided to the LEPC and local fire department during the visit scheduled for Thursday, June 30. BCP is hiring a third party consultant to assist with future ERP updates, coordinate drills, including planning and review exercises with the LEPC and fire department, and will ensure future coordination is completed and documented.

3. Hazard Assessment

BCP is continuing to evaluate, validate and, if needed, update the off-site consequences analysis provided to EPA. BCP also plans to update its RMP Plan to reflect any changes.

4. Documentation of Compliance Audit Findings

The Company has added the 2020 PSM/RMP Compliance Audit findings and corrective action into Industry Safe, its internal tracking system. Industry Safe will also be populated with all 2022 findings and BCP will develop a resolution for each audit finding. BCP will supplement its document production with a confidential document supporting this step marked as BCP-VER-

EPARMP-0000664. BCP is also formalizing corporate compliance audit standards and procedures that document that appropriate corrective actions will be completed and documented, including developing action plans, assigning responsibilities to specific individuals, and establishing target dates for completion.

5. Retention of two most recent compliance audits

BCP provided the 2020 compliance audit (soon to be its second most-recent compliance audit) in response to EPA's document request. It is included in the documents produced June 17, 2022, as BCP-VER-EPARMP-0000480. As described above, BCP conducted its most recent compliance audit June 13-17, 2022. When the audit report is issued, it will be maintained with the 2020 audit.

6. Late submission of 2021 RMP

BCP has added RMP updates to its internal tracking system, Industry Safe to ensure timely submission of future RMP updates.

7. PHA Technique

BCP conducted its PHA using the more comprehensive HAZOP technique. However, BCP inadvertently documented that the PHA was conducted using a what-if checklist. This was incorrect, but was a minor typographical error.

8. Operating Procedure Updates

9. Consequences of deviation - PSI and

11. Safety Systems

The Company is retaining a third-party consultant to assist in quickly updating its Operating Procedures to be more comprehensive. BCP will update the SOPs and make any other necessary changes in the process of working with its RMP consultant to update the RMP, as described above.

BCP has provided several PSI document pursuant to EPA's request. BCP plans to update its PSI and safety systems documents as soon as possible based on the results of the internal RMP audit.

10. Audit Certification

BCP has developed the attached certification form letter to ensure audit certification and has included the certification in its most recent internal audit. A certification will be included as part of the 2022 compliance audit.

BCP appreciates the opportunity to provide additional information to EPA documenting the steps it has taken since the RMP inspection. BCP reserves the right to supplement, edit, or amend these responses if new or different information comes to our attention, and does not waive any rights or defenses with this letter. Please let us know if you have further questions or need additional documentation during your review.

Best regards,

A handwritten signature in black ink, appearing to read "Shawn P. Thomas". The signature is fluid and cursive, with the first name "Shawn" being more legible than the last name "Thomas".

Shawn P. Thomas, PE
Director EHS
Balchem Corporation

Verona Site, Balchem Corporation
299 Extension Street, Verona, MO 65769

SUBJECT: CERTIFICATION OF PSM/RMP COMPLIANCE AUDIT- September 14 to 17, 2020

This letter is intended to satisfy the OSHA Process Safety Management (PSM)/Risk Management Plan (RMP) standards requiring certification that we have evaluated compliance with the provisions of the PSM regulations to verify that the programs, procedures, and practices developed under the standards are adequate and are being followed.

29 CFR 1910.119 Process Safety Management of Highly Hazardous Chemicals, Paragraph (o);
40 CFR 68.79 Risk Management Plan (RMP).

PSM/ RMP Compliance Audit Team:

On behalf of the audit team, I hereby certify that the audit performed from September 14 to 17, 2020 at the Verona site, Balchem Corporation was designed and conducted to verify that the procedures and practices developed at the facility are adequate and are being followed in accordance with the requirements of the PSM regulations under 29 CFR 1910.119 & 40 CFR 68.



Shafi Islam, Date: June 23, 2022
Corporate Process Safety Engineer
Balchem Corporation

Facility:

We hereby certify that the audit performed from September 14 to 17, 2020, at the Verona site was conducted under the oversight and in partnership with Corporate PSM.

To the best of our knowledge, it was conducted to verify that the procedures and practices developed at the facility are adequate and are being followed in accordance with the requirements of the PSM/RMP regulations under OSHA 29 CFR 1910.119 & EPA 40 CFR 68.

I understand that the site will develop action plans with assignments and completion dates.

I also, understand and confirm that all necessary resources will be provided to close the action plans in a timely manner.

 6/23/22

Gregory Henthorn, Date:
Plant Manager
Verona, MO Location